C 5

NEW YORK DAILY NEWS 3 October 1984

WOMAN HELD AS SPY

By DANIEL HAYS, STEWART AIN and DON SINGLETON

A 67-year-old East German woman was held without bail as part of an international Soviet spy operation yesterday after FBI agents grabbed her as she tried to smuggle U.S. military secrets out of the country in a hollowed-out cigaret pack, authorities said.

The woman, Alice Michelson, who described herself as a lecturer on Marxism at an East German institute, was arrested Monday night at Kennedy Airport after she fell into an intricate trap set by an American double agent.

Michelson was charged under a statute that carries the death penalty or life imprisonment upon conviction, according to U.S. Magistrate John Caden. There was no immediate indication that prosecutors would seek the death penalty, however.

The "mole" who upset Michelson's applecart was a U.S. Army sergeant who was recruited into the spy ring in Germany three years ago, authorities said.

WITHIN HOURS of Michelson's arrest, which occurred as she tried to board a flight to Prague and East. Berlin, FBI agents armed with federal warrants searched two apartments, one in Manhattan and the other in Queens, that were



RICHARD TOMLINSON WHEN IV HI WS

Alice Michelson faces magistrate John Caden in Brooklyn Federal Court yesterday.

described as "safe houses" for Soviet spies.

The agents carried a mysterious black-wrapped package out of the apartment at 59-15 47th Ave., Maspeth, Queens, and they questioned the man listed as the occupant of the apartment at 888 Eighth Ave. in Manhattan.

The occupant of the Manhattan apartment, identified as insurance agent George Friedlander, 70, was not charged.

The Queens apartment is registered to Martha Weisman, identified by authorities as a speech teacher at City College in Manhattan. Neighbors used words like "quiet," "nice," "lovely" and "pleasant" in describing Weisman.

contacted by telephone at her office yesterday afternoon, Weisman expressed surprise when she was informed that her apartment had been searched by eight EBI agents. She denied any

knowledge of anything relating to Soviet spies.

According to papers filed with Caden, the twisted trail leading to Monday night's arrest began three years ago in Germany, where the serviceman was contacted by a KGB agent named "Misha."

The sergeant pretended to join the Soviet spy ring, then contacted the U.S. Army Intelligence Command, agents said.

The sergeant met with Soviet agents twice in Mexico City, and at the meetings he was paid \$6,500 in cash and promised \$500 per month. He was instructed to dictate classified material into a tape recorder and then shown how to secrete the tapes in specially constructed Marlboro cigaret packs, the agents said.